

# It's real.

# City of Seguin Business Improvement Grant (BIG) Program Guidelines

#### 1. Purpose

The City of Seguin created the Business Improvement Grant Program to promote the development and expansion of new and existing business enterprises within the City of Seguin, Texas (the "City"), and to enhance the economic welfare of its citizens by helping to secure and retain small businesses, maintain quality local employment, boost area economic activity, and enhance commercial stability in the community.

#### 2. Eligible Improvements and Expenditures

Applicants may be eligible to receive a matching grant of up to seventy-five percent (75%) of the total cost of fixed asset improvements, with a maximum annual grant award not to exceed \$10,000.

A "fixed asset" is defined as a long-term, tangible asset used to generate income, such as buildings, land, and equipment, that is not expected to be converted into cash within at least one year or longer. Typically, a fixed asset is a property enhancement that will have significant impact on the value of the real property and cannot be taken, removed, or relocated away from that property to another.

Improvements and other expenditures eligible under the Seguin BIG Program include the following:

Façade Improvements	Improvements to building façades including, but not limited to; structural rehabilitation, awnings, painting, reconstruction, and/or remodeling.
Sign Improvements	New signage and/or the renovation or removal of existing signs.
Site Improvements	Items such as, but not limited to; parking lot resurfacing, striping, driveway improvements, lighting, fencing, curb and sidewalk installation or repair, and landscaping.
Other Real Property Improvements	Improvements including, but not limited to; replacing electrical wiring, plumbing, masonry repair, foundation stabilization, fire sprinkler or fire alarm system repair or installation, HVAC system maintenance, or improvement to other items that are plumbed, wired, or otherwise permanently attached to a building structure, as approved by the City.

# 3. Eligibility

Applicants seeking Grant funding must meet the following eligibility requirements:

- A. Eligible Applicant includes any new or existing for-profit business owner, commercial property owner, or business tenant physically located within the Seguin city limits. Applicants' tax status will be verified by the State Comptroller's Office.
- B. "Project" shall be defined as either; a singular construction, rehabilitation, installation, or enhancement event within a specific location, that improves or benefits the location in use, appearance, or efficiency; OR a series of such events to be undertaken simultaneously or within a short timeframe and with a similar goal in mind. Applicants may request multiple improvements for a singular business location at once.
- C. Projects that have already been completed or are physically underway prior to a BIG Program contract being approved, authorized, and fully executed are not eligible to receive funding. All projects under grant consideration must wait until a BIG Program contract is approved and signed before they commence.
- D. Applicants who have outstanding financial obligations to the City of Seguin or Guadalupe County, including but not limited to, liens, court fines, delinquent City utility bills, or delinquent taxes, are not eligible.
- E. Applicants are not eligible to receive funding under the Seguin BIG Program if they are already receiving funding under any other local grant program for the same improvement project.
- F. Applicants who have an ongoing lawsuit with, or are in any way parties to litigation against, the City of Seguin are not eligible.
- G. Applicants who have previously received funding through the Business Improvement Grant (BIG) Program are not eligible to apply for additional BIG funds until at least 12 months have passed since the completion of their most recent BIG-funded project. The 12-month period begins on the date the applicant notifies City staff of project completion and the City disburses the awarded BIG funds.
- H. Businesses operating on the same property as the business owner's residence are not eligible.
- I. Applicants who own multiple businesses and/or commercial properties within the City of Seguin can only receive grant funding for only one (1) approved application in a 12-month period.
- J. Applicants may only apply for improvements to commercial spaces that have not already been the recipient of BIG Program funding within the past 12-month period.
- K. Applicants may not receive a matching grant of more than seventy-five percent (75%) of the total cost of their fixed asset improvements, nor can the total value of said grant exceed \$10,000.

#### 4. Guidelines

- A. Applicants will be required to provide proof of ownership of an existing facility or, if Applicant is a business tenant (lessee), they must attach a copy of their lease agreement with the application form.
- B. Grants awarded under the Seguin BIG Program are reimbursement grants. Reimbursement grants are a cash match equivalent to funds initially disbursed by the Applicant. In-kind contributions may not be used as any part of the Applicant's match. Only actual project expenditures paid for by the Applicant may be used for grant matching purposes.
- C. Grant payouts may be adjusted lower, based on actual receipts. Because initial project costs may change during construction, approved BIG Program grant payouts may also be adjusted to account for final project payments only when those actual costs are lower than originally projected. Due to the Program's limited budget, if the final project cost is larger than the approved contract amount, only that amount listed on the contract will be paid out to the grant recipient.
  - a. Example: An Applicant applies for a BIG Program grant for a fixed-asset improvement project that is estimated to cost \$5,000. They are approved and the BIG Program grant contract amount they are awarded is \$3,750, or 75% of \$5,000.
    - i. If the final cost paid for the project (based on paid receipts submitted) ends up being only \$4,000, the City would pay the Applicant \$3,000, or 75% of \$4,000.
    - ii. If the final cost paid for the project ends up being \$8,000, instead, the City would pay the Applicant \$3,750, or the approved amount listed in the executed BIG Program grant contract.
- D. Improvements shall be made in accordance with project drawings, specifications, applicable codes, and/or other pertinent information provided with the application, such having been previously approved by the City. Failure to do so will render the Applicant ineligible to receive grant funding. Any major modification to the project must first receive written approval from the City. Failure to do so will likewise render the Applicant ineligible to receive grant funding.
- E. Applicants are obligated to obtain all applicable permits and inspections required for their improvement project. Failure to do so will render the Applicant ineligible to receive grant funding.
- F. The improvements, as presented in the application, must be completed in their entirety, unless otherwise approved by the City. Incomplete improvement projects will render the Applicant ineligible to receive grant funding.
- G. Upon approval of a grant application and during the implementation of the improvements, a representative, or representatives, of the City shall have the right to access and inspect the work in progress.
- H. Labor provided by the Applicant or their employees may not be included in the cost estimate for the project and are not reimbursable through this program.

- I. Applicants must complete the improvement project within nine (9) months of receiving written grant approval from the City. Failure to complete the improvements within the required period will result in the loss of the grant funds allocated for the project.
- J. Applicants must agree to remain in business, and to not sell or assign such business to another person or entity, for a period of twelve (12) months following the date the grant funding contract is authorized.

# 5. Application & Approval

- A. Applications should be submitted online through the BIG application portal which can be accessed by visiting: <u>https://bit.ly/seguin-big24</u>
- B. Applications will be reviewed internally by staff from the City of Seguin Economic Development Department and/or Main Street.
- C. Applications will be reviewed in the order in which they are received.
- D. Applicants will receive notification of their application status no later than twenty (20) days following submission of all required documentation needed for grant consideration.
- E. The City will use a standardized set of scoring criteria to score all applications and determine if a grant may be awarded. This scoring criteria is attached to these Guidelines as Exhibit "A".
- F. Projects that score below 55 points will not be eligible to receive funding.

Only complete applications will be accepted for review. A complete application will include both the submission form AND all required attachments.

- G. Incomplete applications will not be accepted. In the event an application is submitted and deemed incomplete, the Applicant will be notified. The incomplete application will be rejected and the Applicant will be required to resubmit. A resubmitted application will lose its previous place in the grant funding queue.
- H. All Applicants must include a completed and signed W-9 form as an attachment to their application. Any Seguin BIG Program funding will be remitted to the entity named and addressed on that W-9.
- I. All Applicants must provide at least one (1) detailed estimate/quote for the proposed improvements (or other eligible expenditures) as an attachment to their application.
- J. If relevant, Applicant should include project drawings and improvement specifications as attachments to their application.
- K. If relevant, Applicant should provide photos of the area to be improved as an attachment to their application.
- L. If Applicant is a business tenant (lessee), they must attach a copy of their signed lease

agreement with their application.

- M. Applicants are encouraged to provide any additional information about the project, or that would be beneficial in reviewing the application, as attachments
- N. The City reserves the right to utilize whatever outside resources it deems necessary for assistance in its decision-making process.
- O. The City may award an Applicant a grant with certain provisions, conditions, or other requirements as it may from time to time deem appropriate.
- P. The City reserves unto itself the absolute right of discretion in deciding whether to approve a grant relative to this application. The Applicant accepts that all decisions relating to the award of the grant funds involve subjective judgements on the part of the decision-making entity related to the aesthetics of the proposed project and the granting of award funds for said project.
- Q. The City reserves the right to waive any requirement(s) herein contained, and/or add any requirement(s) it deems appropriate in making its determination of approval or disapproval of a grant(s) application.

# 6. Funding

- A. Applicants shall provide written notification of project completion to the City. Such notification shall include: a letter signed by the Applicant stating that all improvements have been completed in accordance with the application, and/or approved modifications, and that full payment has been made for all labor and materials associated with the project. Such notification shall also include documentation, including but not limited to: paid receipts for materials and labor, permits, inspection reports, project photographs, or any other items the City may deem necessary for determining the successful completion of the project.
- B. Upon receipt of notification from the Applicant that the project has been completed, an onsite inspection may be made by a representative(s) of the City to confirm completion in accordance with the application and/or approved modifications; such inspection shall not be considered in any way a reflection of the City's approval on the quality, safety, or reliability of the improvements, such being the sole responsibility of the Applicant.
- C. Within thirty (30) days following the verification of the project's completion in accordance with the application, or any approved modifications thereto, the City will issue written notice to the Applicant confirming that the project has been deemed successfully completed and the total grant award will be paid to the Applicant.
- D. Available funding: In each fiscal year, the City approves a determined amount of funds for use in the BIG Program. This amount may be exhausted at any point during the year or may be adjusted as additional funding becomes available. Once funds have been exhausted, no additional applications will be accepted for review until additional funding is approved. No application will be held for future funding cycles. The City retains sole discretion to accept or reject applications received after available funding has been exhausted.

### 7. Default

- A. If the subject business is closed, sold, transferred, or relocated within a six (6) month period after grant funding is received, the Applicant may be required to reimburse the City for 100% of the grant amount. Thereafter until the twelve (12) month anniversary date of grant funding, the Applicant may be required to reimburse the City for 50% of the total grant amount if the subject business is closed, sold, transferred, or relocated.
- B. Payments due must be paid in full within thirty (30) days after the date of written notification by the City that the Applicant is in default of any of the funding requirements set forth herein. The form of such payment shall be a cashier's check or money order, made payable to the City of Seguin.

#### 8. Amendment

The City reserves unto itself the right to amend these Guidelines and Criteria as it may from time to time find desirable.

#### 9. Notice

THE PROVISION OR DELIVERY OF THESE GUIDELINES AND CRITERIA TO AN INTERESTED PARTY DOES NOT CONSTITUTE AN OFFER OF AN IMPROVEMENT GRANT TO THAT PARTY.

THE ADOPTION OF THESE GUIDELINES AND CRITERIA DOES NOT LIMIT THE DISCRETION OF THE CITY TO DECIDE WHETHER TO PROVIDE OR NOT PROVIDE A GRANT TO AN APPLICANT, WHICH ABSOLUTE RIGHT OF DISCRETION THE CITY RESERVES UNTO ITSELF, WHETHER OR NOT SUCH DISCRETION MAY BE DEEMED ARBITRARY OR WITHOUT BASIS IN FACT.

THE ADOPTION OF THESE GUIDELINES AND CRITERIA DOES NOT CREATE ANY PROPERTY, CONTRACT, OR OTHER LEGAL RIGHTS IN ANY PERSON TO HAVE THE CITY PROVIDE GRANT FUNDING.

THE LAWS OF THE STATE OF TEXAS SHALL GOVERN THE INTERPRETATION, VALIDITY, PERFORMANCE, AND ENFORCEMENT OF THIS BUSINESS ASSISTANCE GRANT PROGRAM. IF ANY PROVISION OF THIS PROGRAM SHALL BE HELD TO BE INVALID OR UNENFORCEABLE, THE VALIDITY AND ENFORCEABILITY OF THE REMAINING PROVISIONS OF THIS PROGRAM SHALL NOT BE AFFECTED THEREBY.

THE CITY, ITS EMPLOYEES, AND ITS AGENTS DO NOT ATTEST TO THE QUALITY, SAFETY, OR CONSTRUCTION OF A PROJECT ELIGIBLE FOR, OR RECEIVING GRANT FUNDING. THEREFORE, THE CITY, ITS EMPLOYEES, AND AGENTS SHALL BE HELD HARMLESS BY THE APPLICANT/APPLICANTS FOR ANY AND ALL DAMAGES ASSOCIATED WITH THE PLANNING, CONSTRUCTION, AND SUBSEQUENT EXISTENCE OF ANY PROJECT WHO'S APPLICATION HAS BEEN APPROVED OR HAS RECEIVED ACTUAL GRANT FUNDING.

#### ACKNOWLEDGMENT OF RECEIPT OF GUIDELINES AND CRITERIA

I have received, thoroughly read, and understand the Guidelines and Criteria associated with the City of Seguin Business Improvement Grant Program. I (WE), the undersigned APPLICANT(S), acknowledge and agree to abide by and be subject to the terms and conditions of the Business Improvement Grant Program as described herein.

Applicant Name

Title

Signature

Date



Γ

Business Name:			
		Scoring Criteria	Score
1.	Gra	ant History – Has the Applicant been awarded a grant in the last 24 months?	
		10 points: Has not been awarded a BIG grant within the last 24 months	
		7 points: Awarded a grant in the last 24 months and successfully completed project on time	
	۶	<b>4 points:</b> Awarded a grant in the last 24 months and completed project after requesting an extension	
		<b>0 points:</b> Awarded a grant in the last 24 months but did not complete the work.	
2.	Dis	tressed Location – Is the Business located in an economically distressed U.S. Census Tract?	
	۶	<b>12 points:</b> Business located within Census Tract designated as a " <u>High Poverty Area</u> " (20% of the population or more are below the poverty level)	
		<b>8 points:</b> Business located within Census Tract designated as a " <u>Possible High Poverty Area</u> " ( <i>The confidence interval includes "20% of the population or more are below the poverty level," but the point estimate is lower than that threshold</i> )	
	۶	<b>5 points:</b> Business located within Census Tract designated as " <u>Not a High Poverty Area</u> " (areas that do not meet either of the criteria listed above)	
Note: The City of Seguin will use the EDA-Census Poverty Status Viewer which was developed by the U.S. Census Bureau to support the Commerce Department's Economic Development Administration (EDA). High poverty area estimates include poverty data for the population for whom poverty status is determined using the 2019-2023 American Community Survey 5-year estimates. The EDA-Census Poverty Status Viewer can be accessed by visiting: https://mtgis-portal.geo.census.gov/arcgis/apps/experiencebuilder/experience/?id=ad8ad0751e474f938fc98345462cdfbf			
inco	5.771		
3.		siness Location – Is the Business located on a key commercial corridor/area where revitalization lesired by the City of Seguin?	
		<b>12 points:</b> Located on Kingsbury Street (US Hwy 90), Court Street, Austin Street (SH 123 Bus), Guadalupe Street, or within the Downtown Historic District	
		<b>10 points:</b> Located on I-10, SH 46, or SH 123	
	۶	5 points: Located on another commercial corridor not identified above	

4.	<b>Business Industry</b> – Targeted business types that fill a need in Seguin, such as retail and re If Applicant is a commercial property owner, score will be based on intended use of prope	
	12 points: Retail, restaurants	,
	10 points: Hotel, hair salon	
	8 points: Office/Professional	
	4 points: Manufacturing/Industrial	
	2 points: Other	
5.	Improvement Type – What type of improvements are being proposed?	
	12 points: Façade Improvements and/or Sign Improvements	
	10 points: Site Improvements	
	8 points: Other Real Property Improvements	
6.	Size of Business – How many employees does the Business have?	
	12 points: 10 or fewer	
	10 points: 11 to 25	
	4 points: 26 to 75	
	2 points: 76 to 150	
7.	Business Ownership – Is the Business locally owned versus corporate owned?	
	10 points: Owned locally	
	8 points: Local franchisee owned	
	4 points: Corporate-owned or out of town franchisee owned	
8.	<b>Project Valuation</b> – What is the total cost of project?	
	10 points: over \$100,000	
	8 points: \$50,000 to \$99,999	
	6 points: \$15,000 to \$49,999	
	4 points: Below \$14,999	
9.	Utility Customer – Is the Business a utility customer of the City of Seguin?	
	10 points: All three City utilities	
	8 points: Two City utilities	
	6 points: One City utility	
TOTAL POINTS		
1		